CITRIX®

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: **Comments on Draft Eligible Services List for Universal Service Mechanism for Schools and Libraries (FCC 05-158), CC Docket 02-6**

Dear Ms. Dortch:

In a Public Notice released on August 15, 2005, the Federal Communications Commission (FCC) sought comments on an eligible services list proposed by the Universal Service Administrative Company (USAC) for use for the Schools and Libraries Universal Service funding year that will begin on July 1, 2006. Comments are due by August 25, 2005. The Notice emphasized that "this proceeding is limited to determining what services are eligible under the Commission's current rules; it is not intended to be a vehicle for changing any eligibility rules."

Citrix Systems is writing to recommend that a new entry be added to the Internal Connections section of the Eligible Services List – **Network Access Software**. We also recommend a change to the new entry for **Terminal Servers**.

BACKGROUND

In the May 8th Order[1], the Commission noted:

> ...if the service is an essential element in the transmission of information within the school or library, we will classify it as an element of internal connections and will permit schools and libraries to receive a discount on its installation and maintenance for which the telecommunications carrier may be compensated from universal service support mechanisms.

The Commission continued:

> ...support should be available to fund discounts on such items as routers, hubs, network file servers, and wireless LANs and their installation and basic maintenance because all are needed to switch and route messages within a school or library. Their function is solely to transmit information over the distance from

---

[1] Federal-State Joint Board on Universal Service, *Report and Order*, CC Docket No. 96-45, FCC 97-157 (rel. May 8, 1997), para 459.

the classroom to the Internet service provider, when multiple classrooms share the use of a single channel to the Internet service provider. We also agree with Oracle that "internal connections" would include the software that file servers need to operate and that we should place no specific restrictions on the size, i.e., type, of the internal connections network covered.[2]

In the current Eligible Services List on the USAC web site, the entry for Remote Access Components reads as follows:

Remote access components, such as a remote access router or communications server, provide one or more interfaces that allow dial-up or remote access to a network.

Eligibility: Components that are capable of providing remote access can be eligible if steps are taken to ensure that only eligible entities, from eligible locations, will have the capability to access them. Remote access cannot be available from homes or other non-school or non-library sites. Applicants are required to provide a signed and dated certification that this condition is met. The required certification is as follows: "The remote access equipment for which I seek discounts either will not be used to provide remote access in the funding year or, if it is to be used remotely, I will take steps to ensure that only entities eligible for support under the Schools and Libraries Support Mechanism have the capability to access it. In the latter case, for example, access will not be available from homes or other non-school or non-library sites."[3]

NETWORK ACCESS SOFTWARE

Citrix Systems sells software products that provide the same sort of remote access to a network that the components described above provide. Citrix's Presentation Server, for example, is software that, when installed on a network server, delivers access to any authorized user anytime, anywhere, using any device. Use of such Network Access Software can mean major cost savings for its users since application software can be installed on the network server and then computers on the network can access those applications on the server, eliminating the need to have application software loaded and maintained on individual work stations. In effect, individual work stations are just terminals for the network server. Application software is, of course, ineligible for E-rate discounts, but Network Access Software enables transmission of information within the school or library and is often the most cost-effective alternative for doing so.

---

[2] Federal-State Joint Board on Universal Service, *Report and Order*, CC Docket No. 96-45, FCC 97-157 (rel. May 8, 1997), para 460.

[3] Schools and Libraries' Eligible Services List for Funding Year 2005 – Pages 46 and 47. USAC web site:
(http://www.sl.universalservice.org/data/pdf/EligibleServicesList_102704.pdf)

With Citrix network access software, remote users can connect to the network using 14.4 Kbps modems, and get LAN-like performance. The Citrix approach works effectively over analog or ISDN modems, WANs, wireless LANs, and the Internet with performance levels up to 10 times faster than remote-node servers.

At the time of the May 8th Order, network access software was new and not widely known; otherwise, we think it would have been likely that the Commission would have included it in the internal connections discussion in the Order.

TERMINAL SERVERS

Network Access Software is similar in functionality to a "Terminal Server." There is a new entry in the draft ESL for a Terminal Server, which is defined as connecting "multiple terminals into a network." Under "Eligibility," the draft List says:

> Eligibility for Terminal Servers is based on whether the server is being put to an eligible use, based on the definition of eligible and ineligible server types as provided in the Special Eligibility Conditions indicated below. For example, if a Terminal Server is being used to provide Internet access to computers or terminals that would not otherwise have Internet access at the performance level desired, then the use may be eligible. If a Terminal Server is being used to provide access to software applications, then the use is ineligible. In many cases Terminal Servers are used to provide both Internet Access and access to applications. Such servers are ineligible unless cost allocation is provided so that funding is requested only for the eligible portion.[4]

Citrix Systems urges the Commission to **strike from the draft ESL the determination of ineligibility when the Terminal Server is being used to provide access to software applications**. In its decision on the appeal of the Rochester Public Library[5], the Wireline Competition Bureau reversed SLD's denial of discounts for a Frame Relay 56K connection. SLD had denied the request as an ineligible service because the Frame Relay connection would be used to access a Library Automated Catalogue. The Bureau concluded that "Frame Relay 56K connections are eligible for discounts as telecommunications services, irrespective of the fact that they may link to a Library Automated Catalogue, which is not itself eligible for discounts." Similarly, Terminal Servers enable connections that may serve a variety of purposes, connecting to eligible Internet access as well as to ineligible databases. One of the great benefits of E-rate-supported internal connections has been to enable school districts to meet the data requirements of the No Child Left Behind law.

---

[4] Public Notice FCC 05-158, Released August 15, 2005. Reference is to page 51 of the proposed eligible services list attached to the PN.

[5] In the Matter of Request for Review of the Decision of the Universal Service Administrator by Rochester Public Library, Rochester, Pennsylvania, DA 03-182, Released January 23, 2003.

If a terminal server is used to host software applications (as distinguished from providing access to them), then the cost of the server would have to be allocated between its eligible connection functionality and its ineligible storage functionality.

CONCLUSION

Citrix Systems urges the Commission to add a new entry for Network Access Software to the draft Eligible Services List for Funding Year 2006 and to amend the new entry for Terminal Servers to strike the determination that such servers are ineligible when used to provide access to software applications. That language in the current draft is inconsistent with the Bureau's finding in the Rochester Public Library decision cited above.
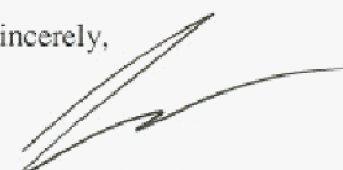
For your convenience, we suggest language below for a new entry for Network Access Software.

Suggested New Entry in Draft ESL for Network Access Software

| Network Access Software (Data Distribution) | **Description:** Network Access Software provides high-speed remote access to a network via dial-up or Internet access. **Eligibility:** Network Access Software is eligible if steps are taken to ensure that only eligible entities, from eligible locations, will have the capability to use it. Remote access cannot be available from homes or other non-school or non-library sites. Applicants are required to provide a signed and dated certification that this condition is met. The required certification is as follows: "I will take steps to ensure that the remote access software for which I seek discounts will be used to provide access only for entities eligible for support under the Schools and Libraries Support Mechanism. For example, access will not be available from homes or other non-school or non-library sites." | |

Please let me know if you have any questions or concerns. My direct line is (954) 267-2230.

Sincerely,

Stewart C. Byrne
Associate General Counsel